(b) Of the amount mentioned at part (a) above a sum of Rs. 205069.59 crores has been invested in Government of India's long term securities of one year and above and.

(c) A sum of Rs. 21964.82 crores has been earned as interest by the Institutions mentioned in part (a) above from Government of India's securities.

Individual Savings Account

2068. SHRI V.N. GADGIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to raise the limit of Rs.50,000 in individual Small Savings Account to Rupees one lakh and the limit of rupee one lakh in Joint Account to Rs. 2 lakh;

(b) whether Government will allow banks and Cooperative societies to invest in Kisan Vikas Patra and make available to charitable Trusts a Kisan Vikas Patra Certificate of Rs. One lakh; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) No, Sir. Banks are not permitted to invest in Kisan Vikas Patra. However, it has been decided to allow the farmers' cooperatives, labour cooperatives and 'self help groups' to invest their surplus funds in Kisan Vikas Patra and National Savings Certificate (VIII Issue). Also trusts are permitted to invest in Kisan Vikas Patra.

(c) The objective of small savings is to encourage and promote the habit of thrift amongst small investors. These schemes are not intended for investment of the surplus funds by banks and institutions.

Representation by MPs' from Maharashtra to Finance Commission

2069. SHRI VEDPRAKASH P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that MPs from Maharashtra had submitted a representation to Finance Commission for additionl funds for various schemes in the State;

(b) if so, what action has been taken on the representation so far; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The Finance Commission is a Constitutional body constituted by the President under article 280 of the Constitution. The State Governments and individuals are free to submit representations/memorandom to the Commission for its consideration. The Government does not consider it appropriate to monitor the representations made to the Commission and the action taken thereon. The commission has been mandated to give its final report by 30th June, 2000.

Encouragement to long-term savings

2070. DR. Y. LAKSHMI PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to introduce tax relief for long- term savings like subscription to pension funds and life insurance;

(b) if so, the details thereof; and

(c) the other measures proposed to be taken to encourage long-term savings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) The tax relief to long-term savings like life insurance is presently allowed credit in the form of tax rebate (of twenty percent) on specified savings. Contributions in respect of pension funds of the Life Insurance Corporation of India are also fully deductible upto Rs. 10,000/

In view of existing relief for long-term savings, the Government do not propose any modification in the Finance Bill, 2000.

(b) Does not arise in view of (a) above.

(c) The Government would continue to review the provisions to encourage long-term savings.

Regional Rural Banks in Andhra Pradesh

2071. DR. Y. LAKSHMI PRASAD: Will the Minister of FINANCE be pleased to state:

(a) the number of Regional Rural Banks operating in Andhra Pradesh as on date;

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